

Proposed 2015 Session Legislation

Agency Name & No: Department of Revenue - 5801

Priority Number: Filename: Real Estate Disclosure

Short Title: Public Disclosure of Real Estate Sales Price

Agency Contact Person/Phone:

1. Purpose:

To improve transparency in the property tax appraisal process by making the sales prices of real estate transactions (residential and commercial) public information rather than confidential. Approximately 40 states and the District of Columbia are "disclosure states" where sales prices are public information. Market value, which is expressed as real estate sales price data, is the basis of real property values, so there is a "right to know" the basis of your property tax; the real estate sales price.

2. Background:

Under current law real estate sales prices are confidential information that is not disclosed publicly, despite the fact that these very sales prices serve as the market basis of property tax values for neighboring property. In addition, under disclosure requirements, when property valuations are appealed the statutory confidentiality of the sales prices requires that public appeal proceedings be "closed" when confidential information is raised, and this requires that taxpayers sign "confidentiality agreements" to learn the basis of their own property values. This often creates a chilled, hostile environment for the taxpayer during the property appeals process. Amending section 15-7-308. MCA

3. Fiscal Impact by Fund Type: This impact should be as specific as possible.

None

4. Summary Checklist [Check & complete all that apply]--

- Housekeeping Only, Federal Requirement, Audit Recommendation (Audit No.), Major Legislation, Anticipated to be Controversial Legislation, Bill Draft has been included in Legislation Submittal (if available), Supports Submitted EPP Item Number, Local Government Fiscal Impact, Increases FTE, or Decreases FTE by, List FTE amount and program, Increases Existing Revenue, Decreases Existing Revenue, Establishes New Revenue, Leg. has been Submitted in Previous Legislative Sessions (list priority no, LC no, or bill no): HB16 and SB22 of 2011, Legislation would affect other state agencies (list), Special Interest Groups Affected (list): Association of Realtors (against), Assoc of Newspapers (for), Other